MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2016/2017

BMG1614 – MANAGEMENT

(B01)

10 OCTOBER 2016
02:30PM – 05:30PM
(3 HOURS)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **4 pages** (exclusive of cover page) only.

2. **Answer ALL FIVE (5) questions.** All questions carry equal marks and the distribution of the marks for each question is given.

3. Please provide **all your answers** in the Answer Booklet provided.

INSTRUCTIONS: Answer ALL FIVE (5) questions.

QUESTION 1 (20 MARKS)

ASEAN is experiencing rapid changes and Malaysia is believed to be on the "main wave" of the transformation process. Part of the evidence for this is the country's rank in the recent Global Competitiveness Index report, which has shown some encouraging numbers in recent years. For two years in a row, Malaysia has ranked 17th among nations worldwide in the "innovation" pillar, and has done a high jump in the "technological readiness" pillar, going to 47th from 60th the year before.

During a lecture by Prime Minister Datuk Seri Najib Razak at the recent meeting of the Global Science and Innovation Advisory Council (GSIAC) in London, he said: "Our achievements have been based on three solid, inter-related principles: innovation, sustainability and inclusivity".

In ASEAN, we face similar challenges and are endowed with the same potentials, such as ample natural resources, a huge young workforce, and steady economic growth. Today, however, we are witnessing the difficult impact caused by a global commodity slump. Malaysia and the rest of Southeast Asia have suffered the same economic drawback due to the commodity decline and each must find its own way to survive and get back on track. Clearly, innovation and technology capabilities play a key role, where engineers and scientists are among the most valuable human capital in a nation — a key driver of national development.

Resources are there. The human capital is ready. The government is willing and able. Relative to other Asean countries, Malaysia is considered to be a step ahead in terms of innovation and technology development.

(*Excerpts from: http://www.nst.com.my/news/2016/06/155239/challenges-4th-industrial-revolution*)

(a) It is obvious that managing the challenges discussed in the article is a major consideration to ensure sustainability of success. As such, managing innovation requires managers to be equally creative and innovative.
Describe the importance of innovation and sustainability to the manager's job.

(10 marks)

(b) Rapid technological development requires managers to have different skills at the different levels of management.
Describe the three main types of managerial skills and explain which skills are most important to each level of management, and why?

(10 marks)

Continued...

QUESTION 2 (20 MARKS)

(a) **List the factors that influence the strength of an organization's culture and discuss the impact of a strong organizational culture on employees.**

(10 marks)

(b) Max Proffit, director of research and development for National Products Company, that is into producing hiking gears has learned that a new material has been developed in his department that appears to make the ropes and slings more durable. He has discussed this development with his two assistants, Susie Merriweather and Moe Gaines, and Rush Onward, vice president of product development. Susie has stated her opposition to the use of the new material because its durability has not yet been tested and has not been certified by the company's third-party testing laboratory. Moe argues that the initial tests that their R&D department completed indicate minimal problems with durability. Rush states that in several meetings he has recently attended, the company president had repeatedly emphasized the need to increase earnings per share. Rush tells Max that a decision has to be made within the week about the new material's use by the Company.

Making product changes without first determining the possible implications, be it positive or negative, can have detrimental effect on the consumer. Forcing through a decision using financial gain as a primary consideration is unethical.

Explain the two individual characteristics that play a role in determining whether a person behaves ethically.

(10 marks)

QUESTION 3 (20 MARKS)

(a) White Forest Financials is a small investment firm, operating in an extremely volatile environment. One of the company's two owners, David White, is of the opinion that it would be futile for the company to engage in formal planning as the business environment is constantly shifting. However, the co-owner, Marsha Forest, believes that planning is essential for the company's success.

Who would you support? Why?

(10 marks)

(b) **Discuss the three different decision-making conditions that managers usually face.**

(10 marks)

Continued...

QUESTION 4 (20 MARKS)

Malaysia Aviation Group (MAG) and Malaysia Airlines Bhd (MAB) new managing director (MD) and chief executive officer (CEO), Peter Bellew says he is on track to fix the financially-beleaguered airline albeit having to weather through many interesting turns. In a statement today, Bellew said MAB has seen great progress in the last 10 months with many turnaround initiatives working. In the first quarter of 2016, MAB has seen yield going up 23.4 per cent, costs down by 32.9 per cent and bottom line ahead of budget. "I am excited to get to work, leading this proud airline and ensuring the national carrier regains its rightful place as the pride of the nation.
We will fix it. Malaysia Boleh!" Bellew said.

"He is an exceptional leader and has been an invaluable contributor to the transformation of the airline over the last 10 months," he said, adding that Bellew and other members of the senior management team had established themselves positively within the company, especially in their rapport with employees as well as among the aviation community.

Bellew has over 20 years of experience in the aviation industry and has been a member of Malaysia Airlines' senior management team since the first day of its full operations on September 1 last year. Bellew also served as the head of sales and marketing at Ryanair, where he played a pivotal role in introducing new customer service initiatives, pan-European TV advertising, and positive press relations, contributing to record sales.

Excerpts from:
http://www.nst.com.my/news/2016/07/156077/bellew-malaysia-airlines-can-regain-rightful-place-pride-nation
http://www.nst.com.my/news/2016/07/155944/bellew-excited-be-leading-malaysia-airlines

(a) Identify and briefly explain at least three sources of leader power possessed by Peter Bellew. Include specific examples of each source of power to support your answer.

(10 marks)

(b) In the planning and organising phase, Peter Bellew will most probably initiate the organisational changes needed to effectively lead the company to success.
Explain organizational change and briefly discuss the three types of changes Mr Bellew is expected to face.

(10 marks)

Continued...

QUESTION 5 (20 MARKS)

(a) As manager of a large team of engineers, you notice that your team is falling short of its goals primarily because several team members are either not motivated to put in their best or are downright dissatisfied with their jobs.

You have decided to follow Herzberg's two-factor theory to motivate your employees. What steps can you take to maximize motivation?

(10 marks)

(b) Managers hope they'll never have to deal with employee drug abuse, but the fact is that it does happen. In this case, Amber, an administrative assistant started out well, but began to adopt strange and inconsistent behavior. Her work was maintained pretty well, but she began arriving late and calling in sick often, especially right around the time she got paid. She began borrowing and failing to repay money, and then started showing a short temper on the phone with customers. After being found in the ladies room sniffing white powder, she was confronted about a cocaine problem, and reacted by quitting immediately, leaving a hole in the organization for months before a replacement could be found and replaced. Experts believe the employer's actions were wrong, waiting too long to confront Amber, and focusing on accusations instead of criticizing behavior directly related to work, such as lateness and rudeness to clients. They also point out that Amber should have been sent in for a drug test before being outright accused of using cocaine, opening up the opportunity for rehabilitation instead of a severed tie.

Identify and explain the different directions of communication flow within an organization and how it could be appropriately used as workplace communication to handle the above situation.

(10 marks)

End of paper